

CHANGES COMING SEPTEMBER 16TH TO THRIFT SAVINGS PLAN

At long last, it appears the new Thrift Savings Plan (TSP) recordkeeping system will be completed on September 16, 2002. Some of the changes that will occur as a result of the new system are:

- (1) Instead of transactions being processed on a monthly basis, they will be processed daily; (
- (2) Account balances and transactions will be processed and shown in shares and share prices, as well as dollar amounts;
- (3) TSP open season dates will be October 15 - December 31 and April 15 - June 30, instead of November 15 - January 31 and May 15 - July 31; and
- (4) Beginning in January 2003, the TSP will issue quarterly statements for the periods ending March 31, June 30, September 30, and December 31, instead of just twice a year.

The new system will also offer a greater number of withdrawal options, and provide on-line service via the Internet for loans and withdrawals. To review the other changes to the TSP that will become effective on September 16th, click on <http://www.tsp.gov/forms/tsplf11.pdf>. During the transition period to the new system, from August 31st - September 15th, you should be aware of the following deadlines for certain transactions. If you want to receive a loan or withdrawal in early September, your completed paperwork must be received by the TSP no later than August 23rd. Otherwise, your loan or withdrawal request will be suspended during the transition period and paid after September 15th. If you want to request a Personal Identification Number (PIN) or make a contribution allocation before the conversion, you need to do so before August 31st. No electronic requests will be accepted between August 31st and September 15th. Paper requests made during that time will be held for processing on September 16th. Also, you will not be able to request an interfund transfer electronically from August 16th through September 15th. During that time, however, you can submit a paper request, which will be held for processing on September 16th. (Interfund transfers submitted during that time would have become effective on September 30th under the old system, but under the new system, they will become effective as soon as possible.) Finally, all Web and ThriftLine features will be available on September 16th.